BILATERAL SCHEDULE BETWEEN THE NORTHERN TERRITORY AND THE COMMONWEALTH ON SKILLS FLEXIBLE FUNDING

# Preliminaries

1. This bilateral schedule (Schedule) is between the Commonwealth of Australia (Commonwealth) and the Northern Territory (the Parties) under the 2024-2028 National Skills Agreement (Agreement) and should be read in conjunction with the Agreement.
2. This Schedule sets out bilateral arrangements pursuant to Part 5 of the Agreement (Funding Arrangements).

# Terms

1. The terms of this Schedule are set out in Clauses A15-16 of the Agreement.
2. This Schedule will expire on 31 December 2028.

# Flexible Funding Arrangements

1. Table 1 details the Northern Territory’s estimated Flexible Funding as follows:
2. the estimated minimum financial contribution (representing the Northern Territory’s projected entitlement under the National Skills and Workforce Development Specific Purpose Payment),
3. the estimated maximum financial contribution to Cap 1, and
4. the estimated maximum financial contribution to Cap 2.

**Table 1: The Northern Territory’s estimated Flexible Funding**

|  |  |  |  |
| --- | --- | --- | --- |
| Year | Minimum Financial Contribution ($m) | Maximum Financial Contribution to Cap 1 ($m) | Maximum Financial Contribution to Cap 2 ($m) |
| 2023-24 | 8.00 | 8.90 | 10.22 |
| 2024-25 | 16.51 | 18.37 | 21.02 |
| 2025-26 | 16.89 | 18.79 | 21.44 |
| 2026-27 | 17.22 | 19.16 | 21.81 |
| 2027-28 | 17.56 | 19.53 | 22.18 |
| 2028-29 | 8.95 | 9.96 | 11.28 |

# Maintenance of Effort Benchmark

1. For the purposes of Clause A50(c) of the Agreement, the Commonwealth will determine that the Northern Territory has met the maintenance of effort benchmark where its Eligible State Expenditure for the relevant financial year meets or exceeds the amounts in Table 2:

**Table 2: The Northern Territory’s minimum Eligible State Expenditure required to meet maintenance of effort benchmark**

|  |  |
| --- | --- |
| Year | Amount ($m) |
| 2023-24 | 40.04 |
| 2024-25 | 81.92 |
| 2025-26 | 83.54 |
| 2026-27 | 85.15 |
| 2027-28 | 86.78 |
| 2028-29 | 44.22 |

# Eligible State Expenditure

1. The scope of Eligible State Expenditure is defined at Clauses A57-62 of the Agreement.
2. As negotiated between the Parties in accordance with Clause A63 of the Agreement, for the Northern Territory, Eligible State Expenditure:
3. excludes expenditure toward VET delivered to Secondary Students (or equivalent).

# Signatories

The Parties have confirmed their commitment to this Schedule as follows:

|  |  |  |
| --- | --- | --- |
| Signed for and on behalf of the Commonwealth of Australia by The Honourable Brendan O’Connor MPMinister for Skills and Training Date  |  |  |
|  |  |  |
| Signed for and on behalf of the Northern Territory by The Honourable Joel Bowden MLAMinister for Skills, Training and International Education Date  |  |  |